

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2007-280-S - ORDER NO. 2008-69  
FEBRUARY 1, 2008

IN RE: Application of Carolina Water Service, Inc.	)	ORDER APPROVING
for Approval of an Expansion of Its Existing	)	EXPANSION OF SEWER
Sewer Service Area to Include Portions of	)	SERVICE AND SERVICE
Lexington County Adjacent to Its Watergate	)	AGREEMENTS WITH
Service Area Pursuant to Contract with a	)	LIMITATIONS
Bulk Sewage Treatment and Service Area	)	
Agreement with the Town of Lexington	)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Carolina Water Service, Inc. (“CWS” or “Applicant”) for approval of a proposed expansion of the Applicant’s sewer utility territory to serve portions of Lexington County pursuant to a contract between CWS and Harrison Development (“Developer”) and a bulk sewer service agreement (“Bulk Service Agreement”) with the Town of Lexington (“Town”).

On July 30, 2007, CWS filed with the Commission its Application requesting expansion of its authorized sewerage service area to include certain additional portions of Lexington County, South Carolina. The Application originally sought authorization to provide sewer service, both to a new development known as Kingston Harbor on Lake Murray (“Kingston Harbor”), located adjacent to the Applicant’s Watergate Service Area<sup>1</sup>, and to other areas that are not in CWS’s authorized territory. By letters filed on

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<sup>1</sup> Carolina Water Service, Inc. currently provides sewerage service in Lexington County in the Land’s End, Spence’s Point, Secret Cove, and Watergate subdivisions, which are collectively referred to as the

October 2 and October 22, 2007, by CWS, and by letter filed on October 15, 2007, from the Office of Regulatory Staff (“ORS”), the parties later indicated that CWS desired to limit the request only to serve the Kingston Harbor subdivision.

The proposed new development will consist of approximately 103 single family residences. The contract between CWS and the Developer provides, *inter alia*, that the Developer will construct all of the necessary water and sewer facilities required to connect the proposed development to the Town’s existing wastewater system, convey all necessary easements and rights-of-way, and convey such facilities and easements to CWS. Performance of the Agreement is conditioned upon its approval by this Commission. Upon satisfaction of all terms and conditions of the Agreement, CWS has agreed to reserve adequate utility capacity for up to 103 wastewater connections located within the property.

The Bulk Service Agreement between CWS and the Town provides, *inter alia*, that the Town will provide bulk sewage treatment service for wastewater flow generated in the proposed service area, at an initial bulk treatment charge of \$3.45 per thousand gallons of metered wastewater flow, to be effective from the date of interconnection to the Town’s existing wastewater system and not subject to change for a period of one year after such connection. Thereafter, the Town’s bulk treatment charge may be changed, but may not exceed the lowest bulk treatment charge imposed by the Town on any other bulk customer it may serve. The Bulk Service Agreement is contingent upon approval of the Application by this Commission.

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“Watergate Service Area”. A small portion of the Kingston Harbor development is also included in this current service area.

CWS submits that the public convenience and necessity will be served by the approval of this Agreement. Further, it states that no hearing in this matter is required. In that regard, the above-referenced letters filed by CWS and ORS indicate that CWS now desires to limit the request only to serve the Kingston Harbor subdivision, and ORS' October 8, 2007, correspondence represents that CWS's modified proposition is agreeable to Representative Ted Pitts and the Town, both of whom had submitted correspondence regarding the case. ORS' October 8, 2007, correspondence advised the Commission that it had reviewed the Application and that, as modified by CWS' agreement to limit the request only to serve the full Kingston Harbor subdivision, ORS had no objections to its approval. We agree that, as modified, no hearing is required in the matter.

After due reflection, and in light of the proposed modification, we approve the Application, contract and Bulk Service Agreement, only to the extent that they apply to Kingston Harbor. The contract is in the public interest for the reasons stated above.

This Order shall remain in full force and effect until further Order of the Commission.

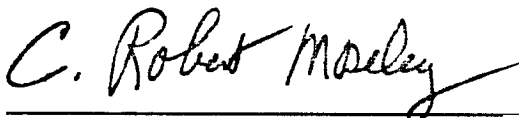
BY ORDER OF THE COMMISSION:



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G. O'Neal Hamilton, Chairman

ATTEST:



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C. Robert Moseley, Vice Chairman

(SEAL)